

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF LOUISVILLE CELLULAR)
TELEPHONE COMPANY, BLUEGRASS CELLULAR)
TELEPHONE PARTNERS AND CENTRAL KENTUCKY)
CELLULAR TELEPHONE COMPANY FOR APPROVAL) CASE NO. 10169
OF THE TRANSFER OF OWNERSHIP AND CONTROL)
OF THE PUBLIC SERVICE BUSINESSES OF)
LOUISVILLE CELLULAR TELEPHONE COMPANY)
AND BLUEGRASS CELLULAR TELEPHONE)
PARTNERS TO CENTRAL KENTUCKY CELLULAR)
TELEPHONE COMPANY)

O R D E R

On February 17, 1988, Louisville Cellular Telephone Company ("Louisville Cellular"), Bluegrass Cellular Telephone Partners ("Bluegrass Cellular"), and Central Kentucky Cellular Telephone Company ("Central Kentucky Cellular") (collectively, "the Applicants") jointly applied to the Public Service Commission ("Commission") for approval pursuant to KRS 278.020(4) of certain transactions which would transfer ownership and control of the public service businesses of Louisville Cellular and Bluegrass Cellular to Central Kentucky Cellular ("the Transfer"). Central Kentucky Cellular is a partnership between Louisville Cellular and Bluegrass Cellular. The Transfer, as described in paragraph 8 of the Application, included a contribution by Louisville Cellular and Bluegrass Cellular of certain assets, including their respective cellular systems, to Central Kentucky Cellular; in exchange for these contributions, Central Kentucky Cellular was to

assume the debts of Bluegrass Cellular and Louisville Cellular which relate to construction and operation of their respective cellular systems ("the Assumption"). On April 6, 1988, prior to the effective date of KRS 278.020(5) and (6), the Commission issued an Order approving the Transfer. On June 22, 1988, the Applicants filed with the Commission certain documents which provided details regarding the Transfer, including the assumption by Central Kentucky Cellular of obligations and liabilities in respect to evidences of indebtedness issued by Louisville Cellular. On July 7, 1988, the Applicants notified the Commission of an anticipated purchase and assignment of the majority interest in Bluegrass Cellular ("the Purchase and Assignment") to be consummated following the Transfer. On August 15, 1988, the Applications filed a Notice of Closing and Supplement to Application, which, inter alia, notified the Commission of the closing, provided copies of documents executed or delivered at the closing, and otherwise complied with the Commission's Order of April 6, 1988.

FINDINGS AND ORDERS

The Commission, after consideration of its Order of April 16, 1988, and the evidence of record, including the Application and Notice of Closing and Supplement to Application, and being advised, is of the opinion and finds that further approval from the Commission is not required in connection with the Transfer, including the Assumption, or in connection with the Purchase and Assignment. The Assumption, being an essential part of the transfer approved April 6, 1988, requires no other specific

approval. Without the Assumption, the transfer itself could not have occurred.

Additionally, the Purchase and Assignment described in the July 7, 1988 filing did not constitute a change in control of Central Kentucky Cellular. Louisville Cellular continues to hold a majority interest in Central Kentucky Cellular. KRS 278.020(4) appears inapplicable to the Purchase and Assignment.

Finally, since approvals for the Transfer and Assumption were granted by our April 6, 1988 Order, pursuant to KRS 278.020(4), the recent enactment of KRS 278.020(5) does not affect the prior approval. KRS 446.080(3), 446.110.

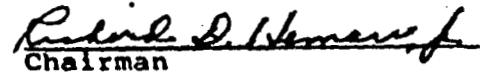
IT IS THEREFORE ORDERED that:

1. No further approval by the Commission is required in connection with the Transfer, including the Assumption, or in connection with the Purchase and Assignment.

2. Central Kentucky's petition for confidentiality filed August 15, 1988, relating to confidential Exhibit A, be and it hereby is granted.

Done at Frankfort, Kentucky, this 15th day of September, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director